

KENTUCKY TEACHERS' RETIREMENT SYSTEM
2006 Open Enrollment for Under Age 65 Retirees
October 17 through October 28, 2005

**IMPORTANT: UNLESS YOU WANT TO MAKE CHANGES TO YOUR
CURRENT COVERAGE, YOU DO NOT NEED TO COMPLETE THE ENCLOSED
2006 KTRS HEALTH INSURANCE APPLICATION.**

Note: Web-based enrollment is not available for retirees.

Incentives for Non-Smokers listed on the reverse of this announcement may affect your decision regarding coverage.

WHAT IS NEW FOR 2006?

- **A self-insured plan with a new name.** Though the Commonwealth is switching to a self-insured plan with a new name, The Kentucky Employees Health Plan (KEHP), the plan design and the benefits for 2006 will be basically the same as in 2005.
- **Provider directories will not be mailed automatically.** Provider information can be located on the Internet at [Humana.com](http://humana.com) or <http://kyhealthplan.humana.com>, and at <http://member.express-scripts.com/preview/ky2006>, effective October 1, or www.express-scripts.com, effective January 1, 2006, or you may order a directory by calling 1-877-597-7474. We encourage you to review the provider information. If your preferred provider is not listed, you may wish to contact that provider and encourage them to join the network of providers. The new plan will:
 - Be administered by one Third Party Administrator (TPA), Humana.
 - Have one nationwide network, Humana ChoiceCare PPO.
 - Have one Pharmacy Benefit Administrator (PBA), Express Scripts, Inc., with one nationwide network.
- **One ID card.** Although there will be two administrators, Humana and Express Scripts, Inc., there will be only one ID card. Social Security numbers will be omitted from the ID card.
- **Rates** have changed for members with less than 20 years of service. See the Calculation Chart shown on the reverse of this announcement for premium cost information.

Spouses of retirees who currently pay full premium cost for coverage will pay the following amounts:

Spouse Single: Essential (not offered); Enhanced \$488.96; Premier \$503.66

Spouse Parent Plus: Essential \$614.11; Enhanced \$733.44; Premier \$755.48

- **Reduced Generic Drug Retail Co-pay under Enhanced and Premier Plans:** \$5 instead of \$10.
- **Reduced Generic Drug Mail Order Co-pay under Enhanced and Premier Plans:** \$10 instead of \$20.
- **Re-employed KTRS retirees.** If you are employed (*public or private*) and eligible for health insurance paid by your employer, you are no longer eligible for health insurance through KTRS. You must complete an application to waive coverage and indicate the reason you are waiving.
- **Plan Code:** Humana -- 143; Waiving -- 999 (include reason for waiving).
- **Dependents turning 24 in 2006** will not be eligible for coverage effective January 1, 2006. Humana will mail COBRA packets to these ineligible dependents in November. Unless you require an additional change to your current coverage, you do NOT need to complete a health insurance application because of this change in dependent eligibility.

WHAT REMAINS THE SAME IN 2006?

- **Plan Type:** Preferred Provider Organization (PPO).
- **Benefits remain the same**, with the exception of the reduced co-pay for generic drugs as noted on the reverse of this announcement.
- **Plan Options:** Essential (not available for single coverage), Enhanced, and Premier.
- **Levels of coverage:** Single, Parent Plus, Couple, Family, and Family Cross-Reference.
- **Incentives for Non-Smokers.** Smokers will pay an additional \$15 for single coverage and \$30 for Parent Plus, Couple, or Family coverage. If you were a smoker, or did not complete this section during the 2005 Open Enrollment, you were automatically charged one of these additional amounts. If your smoking status was different on July 1, 2005, than it was on July 1, 2004, you should complete a 2006 application and indicate this information in the Smoking Status Section.
- **Rates** for retirees with 20 or more years remain the same. See the Calculation Chart shown below for premium cost information.

CALCULATE YOUR SHARE OF THE STATE GROUP HEALTH PLAN PREMIUM COST FOR 2006						
PLAN COST	+	APPLICANT SMOKING STATUS COST	+	YEARS OF SERVICE COST	=	YOUR SHARE OF PREMIUM COST
Enter the Cost Below for THE OPTION CHOSEN: Essential PPO; Enhanced PPO; OR Premier PPO AND LEVEL OF COVERAGE: Single; Parent Plus; Couple; OR Family		Non-Smoker ➤ Enter \$0 Applicant Smoker taking Single Coverage ➤ Enter \$15 Applicant Smoker taking Parent +, Couple, or Family Coverage ➤ Enter \$30		20 or more ➤ Enter \$0 15 – 19.99 ➤ Enter \$122.24 10 – 14.99 ➤ Enter \$244.48 5 – 9.99 ➤ Enter \$366.72		FOR 2006
\$ _____	+	\$ _____	+	\$ _____	=	\$ _____

	SINGLE	PARENT PLUS	COUPLE	FAMILY	FAMILY Cross-Reference
ESSENTIAL	Not Offered	\$55.00	\$259.53	\$320.14	\$0.00
ENHANCED	\$0.00	\$114.00	\$357.72	\$429.24	\$9.72 per employee
PREMIER	\$18.20	\$170.38	\$398.67	\$474.74	\$33.08 per employee

Many questions regarding the new plan are answered in the enclosed Handbook. Additional questions regarding covered services, providers, or networks should be directed to the TPA/PBA at 1-877-597-7474. All other questions may be directed to DEI or KTRS at the following:

Kentucky Personnel Cabinet
Department for Employee Insurance
 888-581-8834 or 502-564-6534
<http://personnel.ky.gov>

Kentucky Teachers' Retirement System
479 Versailles Road, Frankfort, KY 40601
 800-618-1687 or 502-848-8500
www.ktrs.ky.gov